

EXECUTIVE ORDER NO. 13- 09

WHEREAS, under chapter 89C of the Hawaii Revised Statutes, the Governor is granted the authority to make adjustments to the wages, hours, benefits, and other terms and conditions of employment for elected and appointed officials, and employees in the Executive Branch who are excluded from collective bargaining coverage; and

WHEREAS, for excluded employees who are civil service employees under the same classification systems as employees within collective bargaining units, chapter 89C requires that the adjustments be “not less than” those provided under the collective bargaining agreements for employees hired on a comparable basis; and

WHEREAS, chapter 89C also requires that the adjustments for excluded civil service employees result in compensation and benefit packages that are “at least equal to” the compensation and benefit packages provided under collective bargaining agreements for counterparts and subordinates within the Employer’s jurisdiction; and

WHEREAS, chapter 89C provides that each appropriate authority shall determine the adjustments that are relevant for their respective excluded employees who are exempt from civil service in consideration of the compensation and benefit packages provided for other employees in comparable agencies; and

WHEREAS, in an effort to reach a settlement on the July 1, 2013 through June 30, 2015 collective bargaining agreement for the professional and scientific employees represented by the Hawai’i Government Employees Association, Bargaining Unit 13 (BU 13), the Employer made what they considered to be a reasonable offer in salaries and Hawai’i Employer-Union Health Benefits Trust Fund (EUTF) benefits;

WHEREAS, the BU 13 employees voted whether to accept the Employer's offer but ultimately the offer was rejected;

WHEREAS, historically, upon conclusion of either a negotiated settlement or an arbitrated award, employees who are excluded from collective bargaining received adjustments not less than what their included counterparts received;

WHEREAS, with the rejection of the Employer's offer by the BU 13 employees, the Employer believes that in fairness to employees who are excluded from BU 13, they too, like the other excluded employees, should receive adjustments in salaries and EUTF benefits effective July 1, 2013;

WHEREAS, the 2013 Legislature did pass, and the Governor did approve, SB 909, Senate Draft 1, House Draft 1, Conference Draft 1 as Act 173 (2013), which provides sufficient appropriation for adjustments for employees covered by this Executive Order;

WHEREAS, the Director of Human Resources Development has recommended to the Governor, the same adjustments offered to the BU 13 employees, as specified in this Executive Order, for employees who are excluded from BU 13.

NOW, THEREFORE, I, Neil Abercrombie, Governor of Hawai'i, pursuant to my executive authority under articles V and VII of the Constitution of the State of Hawai'i, the provisions of chapters 37 and 89C of the Hawaii Revised Statutes, and all other applicable authority, do hereby order the following for civil service and exempt employees excluded from BU 13; employees in the Excluded Managerial Compensation Plan (EMCP) excluded from BU 13; and elected and appointed officials:

Salaries

This adjustment is applicable to non-EMCP exempt and civil service employees excluded from BU 13.

A. Effective July 1, 2013:

1. Employees who were eligible for but did not receive a step movement during the period July 1, 2009 through June 30, 2013 shall receive their step movement on July 1, 2013.
2. Employees who become eligible for a step movement during the period July 1, 2013 through June 30, 2014 shall receive their step movement on their step movement date.
3. Employees who were or become eligible for step movements from July 1, 2009 through June 30, 2013 shall be credited for service towards step movements as though step movements were granted through the entire period from July 1, 2009 through June 30, 2013.
4. Notwithstanding A.1. A.2. and A.3. above, no employee shall receive more than one (1) step movement during the period July 1, 2013 through June 30, 2015.
5. Employees not administratively assigned to the salary schedule shall receive a four percent (4%) pay increase.
6. Employees who are employed and on the maximum step M as of June 30, 2013, shall receive a one-time lump sum payment of one thousand five hundred (\$1,500) dollars.
7. Excluded employees exempted from civil service coverage, whose pay is set at the discretion of the appointing authority, shall continue to be adjusted at the discretion of the appointing authority from funds allowed for this purpose.

B. Effective July 1, 2014:

1. All Employees who are employed as of June 30, 2014 shall receive a four percent (4%) increase to their basic rate of pay; except that excluded employees exempted from civil service coverage, whose pay is set at the discretion of the appointing authority, shall continue to be adjusted at the discretion of the appointing authority from funds allowed for this purpose.

Salaries

This adjustment is applicable to employees in the EMCP excluded from BU 13.

A. Effective July 1, 2013:

1. The salary schedule in effect on June 30, 2013 shall be amended by increasing the minimum and maximum rates by four percent (4%) and such salary schedule shall be designated as Attachment A.
2. All Employees who are employed as of June 30, 2013 shall receive a four percent (4%) increase to their basic rate of pay.

B. Effective July 1, 2014:

1. The salary schedule in effect on June 30, 2014 shall be amended by increasing the minimum and maximum rates by four percent (4%) and such salary schedule shall be designated as Attachment B.
2. All Employees who are employed as of June 30, 2014 shall receive a four percent (4%) increase to their basic rate of pay.

Hawai'i Employer-Union Health Benefits Trust Fund - See Attachment C.

IT IS FURTHER ORDERED that this Executive Order does not apply to:

(1) employees of public charter schools, the Department of Education and the University of Hawai'i; (2) employees hired for 89 days or less; and (3) those Executive Branch employees whom I later determine shall not receive the aforementioned adjustments.

IT IS FURTHER ORDERED that this Executive Order is not intended to create, and does not create, any rights or benefits, whether substantive or procedural, or enforceable at law or in equity, against the State of Hawai'i or its agencies, departments, entities, employees, or any other person;

IT IS FURTHER ORDERED that in compliance with chapter 89C, these provisions are subject to amendment by Executive Order, including but not limited to, upon receipt of an arbitrated award and/or a negotiated settlement for BU 13.


The Director of Human Resources Development shall be responsible for the uniform administration of this Executive Order and is authorized to make any interpretations concerning the applicability of this Executive Order to employees of the State Executive Branch who are excluded from collective bargaining coverage.

DONE at the State Capitol, Honolulu,
State of Hawai'i, this 25th day of

June, 2013


NEIL ABERCROMBIE
Governor

APPROVED AS TO FORM:


DAVID M. LOUIE
Attorney General

State of Hawaii
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
SALARY SCHEDULE

Attachment A

Effective Date: 07/01/2013
Bargaining Unit: 30, 31, 35 Excluded Managerial

		Min	Max			Min	Max
EM 01	Annual	61,392	87,360	EM 07	Annual	82,272	117,096
	Monthly	5,116	7,280		Monthly	6,856	9,758
	8 hour	236.16	336.00		8 hour	316.40	450.40
	Hourly	29.52	42.00		Hourly	39.55	56.30
EM 02	Annual	64,440	91,764	EM 08	Annual	86,364	122,940
	Monthly	5,370	7,647		Monthly	7,197	10,245
	8 hour	247.84	352.96		8 hour	332.16	472.88
	Hourly	30.98	44.12		Hourly	41.52	59.11
EM 03	Annual	67,692	96,324	ES 01	Annual	88,980	126,624
	Monthly	5,641	8,027		Monthly	7,415	10,552
	8 hour	260.32	370.48		8 hour	342.24	487.04
	Hourly	32.54	46.31		Hourly	42.78	60.88
EM 04	Annual	71,064	101,160	ES 02	Annual	91,656	130,452
	Monthly	5,922	8,430		Monthly	7,638	10,871
	8 hour	273.36	389.04		8 hour	352.56	501.76
	Hourly	34.17	48.63		Hourly	44.07	62.72
EM 05	Annual	74,628	106,200	ES 03	Annual	94,428	134,352
	Monthly	6,219	8,850		Monthly	7,869	11,196
	8 hour	287.04	408.48		8 hour	363.20	516.72
	Hourly	35.88	51.06		Hourly	45.40	64.59
EM 06	Annual	78,348	111,552				
	Monthly	6,529	9,296				
	8 hour	301.36	429.04				
	Hourly	37.67	53.63				

State of Hawaii
DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT
SALARY SCHEDULE

Attachment B

Effective Date: 07/01/2014
Bargaining Unit: 30, 31, 35 Excluded Managerial

		Min	Max			Min	Max
EM 01	Annual	63,852	90,852	EM 07	Annual	85,560	121,776
	Monthly	5,321	7,571		Monthly	7,130	10,148
	8 hour	245.60	349.44		8 hour	329.04	468.40
	Hourly	30.70	43.68		Hourly	41.13	58.55
EM 02	Annual	67,020	95,436	EM 08	Annual	89,820	127,860
	Monthly	5,585	7,953		Monthly	7,485	10,655
	8 hour	257.76	367.04		8 hour	345.44	491.76
	Hourly	32.22	45.88		Hourly	43.18	61.47
EM 03	Annual	70,404	100,176	ES 01	Annual	92,544	131,688
	Monthly	5,867	8,348		Monthly	7,712	10,974
	8 hour	270.80	385.28		8 hour	355.92	506.48
	Hourly	33.85	48.16		Hourly	44.49	63.31
EM 04	Annual	73,908	105,204	ES 02	Annual	95,328	135,672
	Monthly	6,159	8,767		Monthly	7,944	11,306
	8 hour	284.24	404.64		8 hour	366.64	521.84
	Hourly	35.53	50.58		Hourly	45.83	65.23
EM 05	Annual	77,616	110,448	ES 03	Annual	98,208	139,728
	Monthly	6,468	9,204		Monthly	8,184	11,644
	8 hour	298.56	424.80		8 hour	377.76	537.44
	Hourly	37.32	53.10		Hourly	47.22	67.18
EM 06	Annual	81,480	116,016				
	Monthly	6,790	9,668				
	8 hour	313.36	446.24				
	Hourly	39.17	55.78				

Hawai'i Employer-Union Health Benefits Trust Fund (Trust Fund)

This adjustment is applicable to elected and appointed officials; employees in the EMCP excluded from BU 13; and exempt and civil service employees excluded from BU 13.

- A. "Health benefit plan" shall mean the medical PPO or HMO, prescription drug, dental, vision, and dual coverage medical plans.
- B. Effective July 1, 2013.
- C. To be implemented upon completion of Trust Fund system programming adjustments.

Subject to the applicable provisions of Chapters 87A and 89, Hawaii Revised Statutes, the Employer shall pay monthly contributions which include the cost of the Trust Fund administrative fees to the Trust Fund effective July 1, 2013, not to exceed the monthly contribution amounts as specified below:

- 1. For each Employee-Beneficiary with no dependent-beneficiaries enrolled in the following Trust Fund health benefit plans:

BENEFIT PLAN	TOTAL MONTHLY CONTRIBUTION
a. Medical (PPO or HMO) (medical & chiro)	\$208.38
b. Dental	\$ 18.36
c. Vision	\$ 3.62
d. Dual coverage (medical, drug, chiro):	
(1)HMSA	\$136.94
(2) Royal State	\$ 26.54
e. Drug Plan	\$ 42.60

The Employer shall pay the same monthly contribution for each member enrolled in a self only medical plan (PPO or HMO), regardless of which plan is chosen.

2. For each Employee-Beneficiary with one dependent-beneficiary enrolled in the following Trust Fund health benefit plans:

BENEFIT PLAN	TOTAL MONTHLY CONTRIBUTION
a. Medical (PPO or HMO) (medical & chiro)	\$505.10
b. Dental	\$ 36.72
c. Vision	\$ 6.68
d. Dual coverage (medical, drug, chiro)	
(1) HMSA	\$331.64
(2) Royal State	\$ 65.28
e. Drug Plan	\$103.34

The Employer shall pay the same monthly contribution for each member enrolled in a two-party medical plan (PPO or HMO), regardless of which plan is chosen.

3. For each Employee-Beneficiary with two or more dependent-beneficiaries enrolled in the following Trust Fund health benefit plans:

BENEFIT PLAN	TOTAL MONTHLY CONTRIBUTION
a. Medical (PPO or HMO) (medical & chiro)	\$644.28
b. Dental	\$ 60.36
c. Vision	\$ 8.76
d. Dual coverage (medical, drug, & chiro)	
(1) HMSA	\$423.16
(2) Royal State	\$ 73.76
e. Drug Plan	\$131.82

The Employer shall pay the same monthly contribution for each member enrolled in a family medical plan (PPO or HMO), regardless of which plan is chosen.

4. For each Employee-Beneficiary enrolled in the Trust Fund group life insurance plan, the Employer shall pay \$ 4.16 per month which reflects one hundred percent (100%) of the premium and administrative fee.

D. Effective July 1, 2014

Effective July 1, 2014 for plan year 2014-2015, with the exception of items 1a., 2a., 3a., and 4., which shall be the dollar amounts noted, the Employer shall pay a specific dollar amount equivalent to sixty percent (60%) of the final premium rates established by the Trust Fund Board for the respective health benefit plan, plus sixty (60%) of all administrative fees

1. The amounts paid by the Employer shall be based on the plan year 2014-2015 monthly premium rates established by the Trust Fund for each Employee-Beneficiary with no dependent-beneficiaries enrolled in the following Trust Fund health plans:

- | | |
|---|----------|
| a. Medical (PPO or HMO) (& chiro) | \$218.38 |
| b. Dental | |
| c. Vision | |
| d. Dual coverage (medical, drug, & chiro) | |
| (1) HMSA | |
| (2) Royal State | |
| e. Drug Plan | |

The Employer shall pay the same monthly contribution for each member enrolled in a self only medical plan (PPO or HMO), regardless of which plan is chosen.

2. The amounts paid by the Employer shall be based on the plan year 2014-2015 final monthly premium rates established by the Trust Fund for each Employee-Beneficiary with one dependent-beneficiary enrolled in the following Trust Fund health plans:

- | | |
|---|----------|
| a. Medical (PPO or HMO) (& chiro) | \$525.10 |
| b. Dental | |
| c. Vision | |
| d. Dual coverage (medical, drug, & chiro) | |
| (1) HMSA | |
| (2) Royal State | |
| e. Drug Plan | |

The Employer shall pay the same monthly contribution for each member enrolled in a two-party medical plan (PPO or HMO), regardless of which plan is chosen.

3. The amounts paid by the Employer shall be based on the plan year 2014-2015 final monthly premium rates established by the Trust Fund for each Employee-

Beneficiary with two or more dependent-beneficiaries enrolled in the following Trust Fund health plans:

- a. Medical (PPO or HMO) (& chiro) \$674.28
- b. Dental
- c. Vision
- d. Dual coverage (medical, drug, & chiro)
 - (1) HMSA
 - (2) Royal State
- e. Drug Plan

The Employer shall pay the same monthly contribution for each member enrolled in a family medical plan (PPO or HMO), regardless of which plan is chosen.

4. For each Employee-Beneficiary enrolled in the Trust Fund group life insurance plan, the Employer shall pay no more than \$4.12 per month which reflects one hundred percent (100%) of the monthly premium. The employer shall also pay one hundred percent (100%) of all administrative fees.

E. No later than three (3) weeks after the Trust Fund Board formally establishes and adopts the final premium rates for Fiscal Years 2014-2015, the Office of Collective Bargaining shall distribute the final calculation of the Employers' monthly contribution amounts for each health benefit plan.

F. Payment For Plans Eliminated Or Abolished. The Employer shall make no payments for any and all premiums for any portion or part of a Trust Fund health benefit plan that the Trust Fund Board eliminates or abolishes.

G. Rounding Employer's Monthly Contribution. Whenever the Employer's monthly contribution (premium plus administrative fee) to the Trust Fund is less than one hundred percent (100%) of the monthly premium amount, such monthly contribution shall be rounded to the nearest cent as provided below:

1. When rounding to the nearest cent results in an even amount, such even amount shall be the Employer's monthly contribution. For example:

- (a) \$11.397 = \$11.40 = \$11.40 (Employer's monthly contribution)
- (b) \$11.382 = \$11.38 = \$11.38 (Employer's monthly contribution).

2. When rounding to the nearest cent results in an odd amount, round to the lower even cent, and such even amount shall be the Employer's monthly contribution. For example:

- (a) \$11.392 = \$11.39 = \$11.38 (Employer's monthly contribution)
- (b) \$11.386 = \$11.39 = \$11.38 (Employer's monthly contribution)

Employer contributions effective July 1, 2013 and contributions effective July 1, 2014 for items 1a, 2a, and 3a, reflect the rounding described in item G.

Employer contributions effective July 1, 2014, shall be rounded as described in item G after administrative fees have been determined by the Trust Fund Board.

H. If a new BU 13 agreement is not executed by June 30, 2015, the Employer contribution amounts in plan year 2014-2015 established by this Executive Order will remain in effect.